Farm performance

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Broadacre farm incomes bounce back

- *P* Preliminary. Average per farm. Farm cash income = total cash receipts less total cash costs. Farm business profit = farm cash income adjusted for the value of family labour input, capital depreciation, and the change in inventories (livestock numbers and crops on hand).
Broadacre farm cash income by state

2019–20p
2020–21y
10-year avg

- New South Wales
- Victoria
- Queensland
- Western Australia
- South Australia
- Tasmania

p Preliminary. y Projection. Average per farm.
Regional drought effects were significant in 2019–20

Current broadacre farm cash income compared to the average over the previous 10 years:

- **Red**: >25% below average
- **Pink**: 0-25% below average
- **Blue**: >25% above average
- **Gray**: Insufficient data
- **White**: Non-agricultural land
A big improvement in 2020–21

Current broadacre farm cash income compared to the average over the previous 10 years

- Red: >25% below average
- Pink: 0-25% below average
- Light blue: 0-25% above average
- Blue: >25% above average
- Grey: Insufficient data
- Light grey: Non-agricultural land
Dairy farm incomes remain relatively high

Farm cash income=

Farm business profit=

P Preliminary. Average per farm. Farm cash income=total cash receipts less total cash costs. Farm business profit=farm cash income adjusted for the value of family labour input, capital depreciation, and the change in inventories (livestock numbers and crops on hand).
Equity in broadacre farms remains strong

2019–20
Average farm equity
$5,340,000
Average farm debt
$724,000

\* Preliminary. Average per responding farm.
Comparatively low debt servicing ratios

- Dairy
- Cropping
- Beef
- Sheep

* Preliminary. Average per farm. Ratio of interest paid to net farm income.
Debt servicing by state, broadacre farms

- Victoria
- New South Wales
- Queensland
- Western Australia

p Preliminary. Average per farm. Ratio of interest paid to net farm income.
In New South Wales strong growth in land values has kept equity ratios high

2019–20

Average farm equity: $5,689,000

Average farm debt: $772,000

* Preliminary. Average per responding farm. Broadacre farms.
Average per farm. Size groups determined by farm business turnover. Small (less than $250,000), Medium ($250,000 to $750,000), Large ($750,000 to $2 million), Very-large (more than $2 million).
Maintaining competitiveness is key

Productivity growth has offset a declining terms of trade